

## False self-employment: The case of Ukrainian migrants in London's construction sector

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## False self-employment: The case of Ukrainian migrants in London's construction sector

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### Abstract

This article, presenting qualitative accounts of Ukrainian business owners, highlights how migrants engage in false self-employment in the UK. Their experiences problematise notions of legality and binary depictions of migrant workers as “victims or villains”, demonstrating that migrants see their illegal status as a transient stage before gaining legal status.

**Key Words:** work illegality, false self-employment, vulnerability, migrants, construction sector

### Introduction

Whilst migrants have long been recognized as an important source of labour for global construction markets, their work practices are changing. There have been concerns that migrant workers exist in a precarious role as a ‘disposable underclass’ with limited prospects for social mobility and integration (Sumption and Somerville, 2010, p.10). False self-employment (Buckley et al., 2016) amongst migrants is rising as an increasingly hostile regulatory environment combines with widespread precarity amongst new arrivals to the UK (Behling and Harvey, 2015; Hopkins and Dawson, 2016). This is particularly the case in construction, a sector characterised by high migrant participation and irregular working practices (MacKenzie et al., 2010; Meardi et al., 2012). Yet the processes by which migrants enact false self-employment, their experiences and coping strategies, and their ultimate objectives (or projective agency), remain largely unexplored. We examine the lived experiences of illegal Ukrainian migrants working in London's construction sector. As ‘new’ migrants to the UK (Jones et al, 2014), they engage in irregular work practices, including various forms of false self-employment. We contribute to existing scholarly attention on how low-waged migrant workers experience the construction sector not only in the UK but also across Europe (MacKenzie et al., 2010; Meardi et al., 2012), and also enhance understanding of how vulnerable groups of workers, such as migrants, seek to negotiate the institutional complexities of the UK's construction sector (Mustchin, 2014).

We view the notion of ‘illegality’ as a fluid process rather than as a given and static end state thus transcending binary perceptions of illegal migrants as “victim or villain” (Anderson and Ruhs, 2010). By examining the degree to which an individual engages (or not) in legal labour markets, the article's empirical findings contribute to a broader understanding of linkages between notions of illegality and work practices. Further, by recognizing the diversity of these work practices, involving varying degrees of interaction with legal labour markets, we contribute to a ‘diverse economies’ (Gibson-Graham, 2006) approach to understanding contemporary labour markets. This de-centres the legal work environments and highlights alternative approaches to understanding the lived experiences of migrant workers within the UK economy and moreover, the diverse ways that individuals can be viewed as being ‘self-employed’.

Rather than relying on binary opposition, we view ‘vulnerability’ as a useful conceptual tool to explain the diverse ways that illegal migrant workers navigate the UK labour market. The findings also highlight how, perhaps unexpectedly, there are similarities between how illegal migrants and non-migrant regular self-employed individuals operate in UK labour markets. Secondly, rather than the status of illegality being viewed as a static phenomenon - a fixed

intended state - the findings demonstrate that new migrants see their illegal status as a transient stage within their journey to gaining legal status. We show how different forms of legality and illegality co-exist. A migrant worker may be 'illegal' according to his/her migration status whilst simultaneously paying tax as a business owner and employing workers and thus running a legitimate venture (Webb et al, 2013). Moreover, the findings demonstrate the heterogeneity in the manifestations of self-employment.

The heterogeneity we report contributes to debates on the 'socially constructed' distinctions between social and legal boundaries that fragment the notion of work into various categories such as 'legal' and 'illegal' labour (Hatton, 2015). Whilst scholars have examined the immense diversity of work practices, nonetheless, uncritical acceptance of binary distinctions of 'good or bad' forms of labour (Kalleberg, 2011) remains (Zatz, 2009). We focus on the inter-linkages and boundaries between categories to illuminate the full range of work practices, particularly within the small business context. In order to do this, this article explores the following core research question; *to what extent do self-employed Ukrainian migrants working in the UK construction sector see their illegal status as an end state or more broadly as a process?*

The article is organised as follows. Firstly, we critically assess debates on migration and the transient state of migrant workers, considering changes to workers' legal status and its impact on employment. We focus on self-employment, as one of the possible employment opportunities that is available for such migrants, which to date has received little coverage. Then the trends in Ukrainian migration are presented, relating these to studies on illegal business migration and the construction sector (Behling and Harvey, 2015). The findings from interviews with twenty Ukrainian self-employed construction workers precede the discussion and conclusions sections of this article.

### **Migration and Illegal Migrants**

The phenomenon of 'migrant' is ill-defined in the literature. Anderson (2010, p301) does not distinguish between settled 'immigrants' and temporary 'migrants' when referring to 'migrants', arguing that "it is difficult to maintain [such distinction] in practice". For the purposes of this article, "illegal migrants" can be specified through the term of "non-compliance", which Ruhs and Anderson (2006) define as migrants without the rights to reside in the host country. "Semi-compliance" indicates a situation where a migrant is legally resident but working in violation of some or all of the conditions attached to the migrant's immigration status.

Other, often pejorative, terms have been used in the literature, including: undocumented, irregular, clandestine, non-compliant, unauthorised, precarious, trafficked, and *sans papiers* (Anderson and Ruhs 2010, p.175). 'Illegality' is favoured by the constituents of the mass media that promote and reinforce negative public attitudes to immigration, and illegal immigration in particular (Düvell and Triandafyllidou, 2009). As Hatton (2015) argues, the existence of such socially constructed 'social' and 'legal' boundaries means that individuals engaging in work located in spheres outside of the paid, state-regulated market 'real' work, often have their work practices culturally or economically devalued (i.e. not seen as 'proper' work or paid less than the market standard). The term 'illegality' is rarely used in a morally neutral sense, a failure noted by Staring (2000), who makes the often overlooked point that "illegal immigration" is an entirely artificial construct, which did not – and could not - exist prior to the twentieth century criminalisation of cross-border movement. Indeed, Ram et al

(2007) see parallels with alcohol prohibition in the US, and its futile attempts to stem an irresistible tide.

Ahmad (2008, p.302) argues that the problems faced by irregular migrants are rooted in the changing nature of employment in Western societies, especially the emergence of 'flexibility' and its impact upon labour processes (Adam-Smith et al., 2003) and workplace experience (MacKenzie and Forde, 2009). Some critics present illegal migration as a "problem to be solved through stronger borders, internal and external, state enforcement of immigration and residents' control, and increasingly, the cooperation between the state and civil society" (Frank, 2008). However, others blame immigration control (or lack thereof) for the artificial construction of the illegal status "as a means of prioritising the national labour force in employment, at the same time as protecting migrants from exploitation" (Anderson 2010, p.301). Even so, Anderson (2010) argues that over the years the UK immigration regime has failed to deliver on both objectives.

Other studies argue that immigration policy is affected by the demands of employers for temporary labour, which vary by the phase of business cycle (Hanson, 2006). Illegal migrant workers may be more in demand in those types of industries, where temporary contracts are widespread. Moreover, Anderson (2010, p.304) argues that as a result, immigration policy creates clustering of illegal migrants in particular jobs and segments of the labour market.

Hitherto, despite a large number of illegal workers residing in the UK (with estimates ranging between 417,000 and 863,000 in 2009 (Gordon et al, 2009) there have been few studies addressing the opportunities for entry and subsequent employment for illegal migrants in the UK. Ram et al. (2002) studied informal employment in Indian and Bangladeshi businesses, where a significant proportion of employees are illegal. Ruhs and Anderson (2007) undertook a study of origins and function of illegal migrants in the UK, using a survey of 576 illegal migrants, of which, however, only nine were in-depth interviews with Ukrainians, and 79 were survey interviews. They focused mostly on the role and costs and benefits of semi-compliance in the illegal employment. In line with a multitude of studies showing a correlation between immigrants and entrepreneurship (Ram and Jones, 2008), many of Ruhs and Anderson's (2007) respondents were engaged in self-employment. Evidently, illegality itself is no bar to working for yourself.

### **The Nature of Self-Employment**

Research on immigrant self-employment in Britain (e.g. Clark and Drinkwater, 2010) has focused on two sets of causal factors. First, it is argued that immigrant workers enter into self-employment as a rational response to labour market obstacles, often in the form of employer discrimination. These obstacles (or push factors) reduce the opportunity cost of self-employment and hence, other things equal, should lead to an increased representation of discriminated-against groups in that sector. This, however, ignores the possibility that there may be group-specific influences, which would lead minorities into self-employment even in the absence of discrimination. This second set of pull factors includes such factors as the existence of ethnic enclaves, which may provide a self-sustaining economic environment, the influence of religion and access to informal sources of finance and labour through familial ties or cultural resources. This emphasis on ethnic social capital is now regarded as exaggerated (Jones and Ram, 2007), a point to which the article returns to later.

In the case of illegal migrants, however, self-employment becomes virtually the only viable option. It might be argued that, while an illegal status is a label imposed on such migrants by immigration policy, self-employment is a strategy designed to overcome this inferior, illegal status. Self-employment is one of the pathways to employment that potentially leads to much better financial returns in comparison to other types of work available to such ethnic migrants within the country's given specific socio-political and economic conditions. The challenges these conditions bring to migrants within the host country include obtaining information, capital, training and skills, customers and suppliers, as well as dealing with incumbent competition and various political responses. Consequently, ethnic migrants develop personal and structural awareness, both types of which are not confined to ethnic business practices.

In their study, Jones et al. (2006, p.357) consider "one specific practice, the evasion of labour legislation, and the use of illegal migrant workers". In particular, they "examine non-compliance with the national minimum wage (NMW), which was introduced in the UK in 1999", in the food and clothing industries in West Midlands, while pointing out that further studies of other ethnic migrant communities in other sectors would be desirable to shed more light on the issue. As Kloosterman et al. (1999) state, these work practices emerge as a result of conditions that allow for these activities to take place aligned to the prevailing economic and regulatory environment. Additionally, the notions of illegality discussed so far do not reflect all possible variations of employment of illegal ethnic migrants and conditions within which they work. Woolfson and Likic-Brboric (2008) suggest that these migrants are carrying an unequal burden of 'toxic' risk, and from the point of view of western economies have the reputation for being 'disposable' (Meardi et al., 2012).

Hence, firstly self-employment for illegal migrants can be seen as a process of engaging with the context of sectoral, spatial and regulatory environments imposed through policy and encompasses a strategy to avoid being victimised by the host country's conditions. The conditions created by these environments will be the focal point of subsequent analysis. Within this broader framework, conditions created within the construction sector will be the second analytical focus of the study, and will be adopted in the analysis of twenty Ukrainian migrants operating as self-employed in this sector. In the next section we outlined the context of the empirical study.

### **Migration Context**

After the EU accession in 2004, a wave of migrants from new Eastern European member states moved to Western European member states, with the numbers of migrants from the South and Eastern European countries into the UK tripling since 1990s (Ciupijus, 2011; Drinkwater et al., 2009). However, another parallel process has been taking place – greatly increased migration from non-EU countries like Russia, Ukraine, Belarus, Moldova into the new member states as well as into Western European countries such as the UK. Importantly, in contrast to citizens of the new post-2004 EU member states such as Poland, Czech Republic, Bulgaria and Romania, Ukrainians, as non-EU citizens, have no general right to work or reside in the UK.

Ciupijus (2011, p.548) explores the mobility patterns of central eastern Europeans and concludes that they are disadvantaged labour migrants. This resonates with the work of MacKenzie and Forde (2009) who reveal that this migrant group, although migrant workers representing a heterogeneous group with internal ethnic, gender and class divisions, often face the realities of low-wage, low-skill workplaces. However, they do not see themselves



solely as exploited workers but also as citizens making conscious decisions and for whom work in Britain is a temporary choice. Similar to the illegal migrants explored in Ahmad (2008, p.308) upon arrival the Ukrainian migrants, “without the right to reside or work...enter pre-existing” Eastern European employment networks in search of jobs that do not require what Portes (1981) calls formal ‘structural embeddedness’ in the regulated economy.

### **Construction: Current Sector Trends**

According to Steele and Todd (2005, p.1018), “the construction sector employs over two million people and is the largest employer in the UK”, with eighty per cent of the labour force composed of self-employed workers. More recently, ONS (2017) report 2.33 million individuals working in the construction sector in the UK in 2017. Within these numbers migrants make up between 18% and 37% of London’s construction workforce (Tutt et al., 2013). These migrant construction workers include EU and non-EU migrants, who tend to enter into lower-skilled jobs within sub-contracted employment arrangements (Buckley et al, 2016). Employment in the construction sector has traditionally consisted of large numbers of self-employed workers, a reflection of the cyclical and seasonal nature of the business sector (Behling and Harvey, 2015; Nisbet and Thomas, 2000). Recently, especially before the current economic downturn, the sector had experienced an expansion, accompanied by skill shortages and increased recruitment requirements, conditions that could be interpreted as “pull” factors for temporary migrants.

As Meardi et al. (2012) suggest, in their comparative study of migrant labour within construction markets in UK and Spain, in response to the desire for more flexibility within European labour market, in the UK there has developed a migrant labour market in the construction sector, which whilst being ‘hyperflexible’, nonetheless, fails to offer migrant workers adequate protection from organised trade unions. In response, in the construction sector in the UK (see Druker and White, 2013; Druker, 2016), which incorporates the specific features of the Construction Industry Scheme (CIS), over recent years increasingly it is a norm to employ workers as self-employed, as this brings potential benefits to the employer, due to simplified contractual arrangements.

Moreover, as Behling and Harvey (2015) elucidate in their ‘neo-Polanyian’ depiction of the UK’s construction sector, bogus self-employment has become the dominant feature of British construction sites, which reflects a ‘degenerative competition’ (Harvey, 2000), involving widespread tax evasion and a lack of investment in skills development. In such an environment, employers benefit from improperly employing individuals on a spurious self-employment fashion, in order to evade the direct employment costs relating to taxes, national insurance costs and annual leave. In such a ‘buyer’s gain, sellers’ loss form of market exchange’ (Behling and Harvey, 2015, p.971.), employers get away with recruiting migrant workers, often irrespective of their legal or illegal status. In such an environment, many migrants face little ‘choice’ about being classified as ‘self-employed’ and instead would be better classified as being ‘false’ self-employed.

### **Methodology**

Between 2010 and 2015, a sample of twenty illegal Ukrainian self-employed construction workers were interviewed in London. Interviews lasted between an hour and ninety minutes (totaling 1,563 minutes). The interviews were in the Ukrainian language, recorded with each

respondent's consent and transcribed verbatim. Transcripts were checked for accuracy by the lead author and another author, who speak the Ukrainian language. Names of respondents have been anonymised. The background of these interviewees is detailed in Table 1.

#### INSERT TABLE 1 HERE

The lead author used an intermediary to make initial contact and undertake telephone interviews with these individuals who identified themselves as self-employed. Dunlap and Johnson (1999) claim that to get access to the hidden population the "right contact" is crucial. When dealing with such hard-to-reach groups like illegal immigrants, the intermediary might carry out the interviews themselves, providing an additional security feature within the data collection stage. As Düvell et al. (2008:8) point out, "if irregular migrants themselves are the subjects of study, such information [...] could be of interest to enforcement agencies". In the light of this, "security features ...[were] built into the method because the intermediaries who formed the links of the referral chain were known to the potential respondents and trusted by them", and they did not disclose the identities of the respondents to the researchers. "They are thus able to vouch for the researcher's bona fides" (Lee, 1993: 67). This decision was informed by other qualitative researchers undertaking similar approaches (Ram et al., 2008) in particular with hidden communities.

Snowball sampling is a method particularly useful for accessing 'hidden' populations and more suitable for small sample sizes (Blanken et al, 1992). Despite the potential limitations of snowball sampling, including sampling bias, we engaged in a referral driven sampling method to overcome this pitfall. The intermediary gained access to four interviewees from his immediate social network. These individuals then offered further access points into their professional networks, and this generated a further seven contacts. Using chain referral technique, the researchers obtained further five contacts. An additional four contacts were generated through using social media and personal contacts with Ukrainian community organisations. This type of chain referral sampling and going beyond the immediate social network of contacts eliminated the risk of reliance on a narrow set of social contacts and thus avoiding any concerns about sampling bias and has been used in recent studies of migrant communities in the UK (Vershina et al, 2011; Jones et al, 2014).

The intermediary can be considered an insider as they were Ukrainian and fluent in the Ukrainian language as well as having previously been an illegal immigrant worker in the UK. The intermediary was fully apprised of the aims of the research and the critical importance of confidentiality. The intermediary's "practical understanding" of the exigencies of Ukrainian illegal immigrants employed in the UK was also "of vital importance in expediting the research reported on here" (Ram et al., 2007). This understanding is based on more than co-ethnic ties, which for some is seen as the most appropriate means of undertaking research on ethnic minorities.

Thus through the respondent driven sampling technique, we have accessed twenty respondents, and as such, following Onwuegbuzie and Collins's (2007) and Guest, Bunce and Johnson's (2006) recommendation, we have exceeded their suggested threshold of 12 interviewees. Although, we have only one female participant within our sample, this can be explained by the overwhelming predominance of men occupying jobs in the UK construction sector (98%) (Buckley et al., 2016).



Interviewees talked in different ways about their personal aspirations, their current and future business, the experience they brought to the business and what they had gained from being in business as well as the degree of integration into various social networks and the types of support they gained. Their legal status also was discussed. What was obtained was a ‘story’ pertinent to these individuals’ lived experiences of self-employment within construction sector, thus highlighting the vulnerabilities of their status and prospects. The similarities and differences were examined in the ways each of the participants established, developed and operated as self-employed. The findings were generalised back to theory (Eisenhardt and Graebner, 2007). Themes have emerged from the data that we theorise in the discussion section: on the nature of false self-employment in the construction sector, vulnerabilities and coping strategies and patchwork of legal and illegal work practices. These theoretical shards of meaning enabled the researchers to explore the vulnerabilities of the lived experience of the respondents, thus challenging the dichotomy of “victims or villains”, attached to illegal migrant workers in extant literature. These are discussed in turn in the following section.

**Findings and Discussion**

Our findings section is structured as follows. Firstly, we examine the experience of illegal Ukrainian migrant workers within the UK’s construction sector. We find that the institutional and regulatory environment within this sector does not discourage and at times facilitates forms of false self-employment. Secondly, emerging from the qualitative data generated, are rich accounts of how whilst the working conditions as an illegal migrant are better than the conditions at home in Ukraine, nevertheless, these workers are exposed to a variety of vulnerabilities (Mustchin, 2014) including under-payment, wage theft and with-holding and no protection for illness and accidents. Thirdly, despite this, our findings highlight in order to cope with the precarious nature of their working conditions, and also the threat of ‘de-skilling’, several individuals developed not insignificant businesses, based on sub-contracting labour within the construction sector, acting as conduits for attracting new illegal migrant labour to the UK. Finally, more broadly, we find that our respondents engage in a patchwork of work practices, dipping in and out of legal and illegal work spheres. Such heterogeneity uncovers the intriguing fact that all respondents, whilst being classed as illegal migrants in the UK, nevertheless, all pay taxes, in some form, in the UK. Our respondents have clear aspirations to legalise their status in the UK and see their current illegal status as not an end-point but more as a stepping-stone towards legalisation. Such a finding clearly demonstrates the need to look beyond the dominant but artificial view of illegal migrant workers as solely either ‘victim vs villain’ (Anderson and Ruhs 2010). We present a selection of key illustrative quotes in Table 2, highlighting our key findings.

**INSERT TABLE 2 HERE**

*The construction sector and false self-employment*

The construction industry in the UK is typical of industries, where temporary contracts are widespread, and hence employers within this sector readily employ illegal migrant workers (Behling and Harvey, 2015). Amongst our illegal Ukrainian migrant workers in London, there was wholehearted consensus that the employment of illegal migrants was a common and standard practice. As one respondent stated, ‘It is normal here. A boss collects workers from the tube station and we get paid at the end of the day. No questions asked’ (INT: 14). Respondents express the widely-held belief that construction sites will not be raided by government officials; ‘I asked my boss about any checks and he wasn’t worried at all. He

said that the government just turns a blind eye as London needs the work' (INT: 19). Several respondents highlighted their anxiety of working illegally. 'I have a national insurance number and a bank account in the UK but my immigration status is still illegal. I must take on illegal work to get by' (INT: 5). From an employer's perspective, we find similar viewpoints. As one employer stated, 'There are no difficulties in taking on illegal workers. They do a good job. There are no checks' (INT: 17). The lack of government intervention to deal with illegal workers in the construction sector was mentioned on several occasions. Another employer stated, 'Checks are extremely rare. We've learnt what documents to show the officials, it's as easy as that' (INT: 6).

#### *Vulnerabilities within illegal work environments*

Speaking about working conditions in the UK, our findings reveal on the one hand a positive comparative story with respondents in unison explaining that working conditions in the UK were better than in Ukraine. 'In Ukraine – there are no tools and there is no safety' (INT: 3). Similarly respondents demonstrated the perceived view that working in the UK was safer than in Ukraine. 'In UK there are professional tools so it easier to work... We have paid breaks and get paid more' (INT: 7); 'There are safety inductions on every site' (INT: 14). However, our empirical data reveals rich narratives suggesting that our illegal workers experience various forms of vulnerabilities whilst working in London's construction sector. Several respondents explained that when they first started working in London, their wage rates were lower than other workers on the same sites and certainly below the UK's National Minimum Wage level ('When I first came here, I was working for only £45 a day but I knew that others were getting more' (INT: 2). Another respondent, who now employs over fifty illegal workers, stated 'If someone has just arrived, I can pay a low rate. However, if I need more skilled work, I'm happy to pay more' (INT: 8). We find common stories with respondents reflecting on their early days in the UK. Individuals spoke about wage theft as a common practice used by employers to squeeze out more profits, exploiting the precarious nature of the worker's existence. 'The boss promises one price but can change his mind and pay a lower price. There is nothing I can do and he knows that' (INT: 11). Respondents also mentioned wage with-holding as an employer tactic to maintain illegal workers under their control. 'The boss wouldn't pay our full wages until we purchased some new tools. To do our job, we needed the tools and we needed to get paid' (INT: 1). All of our respondents were unequivocally insecure about their lack of protection for accident and illness. 'You're on your own here. If you are ill or have an accident, you don't get paid. I can't afford to be sick' (INT: 3). Finally, several respondents expressed concerns about how working in precarious conditions in the UK was leading to 'de-skilling'. Individuals felt that as a result of their illegal status, they were undervalued and no formal recognition of relevant skill-sets. 'I know how to work as a construction engineer. I can do this work but several times when I felt that I could aid the project, my ideas were disregarded as irrelevant. I felt demoralised' (INT: 9).

#### *Strategies to cope with vulnerabilities – 'subcontracting'*

Over their time spent in the UK, our respondents have developed means to cope with the precarious nature of their illegal existence and associated working conditions. Whilst within the design of this research study we were not explicitly seeking to explore the existence of subcontracting as a work practice within the construction sector, nevertheless a clear finding from our data is that all our respondents, to varying degrees, engage in forms of subcontracting. Moreover, in some instances (INTs 2,8,19), individuals have developed subcontracting businesses, now employing over fifty people. Respondents spoke about the

ease of recruiting illegal workers. *'I knew that we needed lots of workers and at the same time I heard of new people arriving seeking work. It didn't take me long to start subcontracting. It worked because the site boss trusts me'* (INT: 19). Respondents spoke about how there was little risk of being detected and simultaneously a never-ending demand for cheap labour. *'Our boss is always on the lookout for more labour. He doesn't care about the risk of being caught. He pays me a bonus for each new worker'* (INT: 14). Moreover, individuals spoke about how engaging in subcontracting has enabled them to deflect the dangers of 'de-skilling' and offer them new opportunities to develop existing skills-sets and networks. *'When I first arrived here, I was anxious that I was losing my expertise. However, now I have people working for me and I am learning project management skills. They are really useful looking into the future'* (INT: 8). Finally, we find that several respondents, in the face of constant demand for labour, have sought to find new workers beyond the UK's borders. They now operate as conduits, attracting new migrant workers from Ukraine. *'Demand for work in Ukraine is so high that it is easy to find new workers. I make a couple of phone-calls and new positions are filled'* (INT: 20). *'My brother lives in Ukraine and I pay him to find me new workers. It's profitable for us both and my boss is happy'* (INT: 9).

### *Dipping in and out of legal and illegal work*

Despite the fact that all our respondents are illegal based on their immigration status, our findings reveal the existence of diverse legal and illegal patterns of work. Individuals do not maintain static positions, working within solely legal or illegal work boundaries. Instead, they dip in and out of a patchwork of legal and illegal work spheres. *'I employ over twenty people who are all illegal. However, I pay tax for them. I'm not sure that I'm the bad guy here?'* (INT: 5). *'I try to pay tax on most jobs I do but on some smaller jobs, it's easy to forget. I don't bother'* (INT: 8). Despite the heterogeneity of work practices, one clear finding is that all our respondents, whilst being classed as illegal migrants, nevertheless, all pay taxes, in some form. Respondents justified payment of taxes as a mechanism to adapt to the social norms and work practices in the UK. As one respondent stated, *'Paying taxes is the norm here'* (INT: 14). Several of the respondents who operate larger businesses employ tax advisors. *'I pay a tax accountant to deal with tax issues. By paying my taxes, I feel like I'm doing the right thing'* (INT: 9). This said the ultimate aim for the majority of our respondents was to legalise their immigration status, enabling them to earn more money and come out of the shadows. *'I am illegally working but I don't think this will be forever. I already pay taxes and I hope to sort out my documents soon'* (INT: 10). *'I don't think I'll return to Ukraine. I pay my taxes here and have started a family. I'll soon become a normal citizen'* (INT: 6).

### *Discussion*

We now discuss our interpretation of these findings. To sum up, our study reveals that the construction sector in the UK (Druker, 2016; Druker and White, 2013; MacKenzie et al, 2010; Mustchin, 2014) acts as a sphere in which illegal migrants have the opportunity to work through the enactment of false forms of self-employment. As a result of the perceived lack of enforcement of immigration controls, illegal migrant workers are easily recruited into this sector and move from contractor to contractor without being identified by state agencies. The vibrant nature of London's construction sector drives the constant demand for labour, legal or illegal. Despite the ease in which illegal migrants can find work, nevertheless, we highlight the vulnerabilities these workers are exposed to (Mustchin, 2014). Such precarious work practices such as wage underpayment, theft and with-holding, together with no protection for illness and accident are key features of the nature of illegal migrant work,

which resonate with the findings of a recent ILO report (Buckley et al. 2016). However, our respondents, despite enduring such vulnerabilities, nevertheless, have realised opportunities in the UK. The lack of regulation within the construction sector has seemingly enabled all of our respondents to see subcontracting as a mechanism to develop a business. This finding extends the work of Webb et al. (2013), demonstrating the nuanced way in which illegal work practices are intertwined with legal spheres of work. For some of these individuals, their operations are not insignificant, employing already over fifty people. All of our respondents pay some taxes and they are happy to do so as a means to normalise their working and living experiences in the UK. They see the payment of taxes, despite their illegal status, as part of the process of legalising their existence. Such findings demonstrate the need for future research to look beyond the dominant but erroneous view of illegal migrant workers as either ‘victims or villains’ (Anderson and Ruhs, 2010). Thus, our study represents a good example of studies that critically question the binary representations of different forms of work practices (Hatton, 2015). By dipping in and out of legal and illegal work practices, our study demonstrates how precarious illegal migrant workers operate within and across ‘shades of grey’.

## Conclusions

With the aim to advance existing discussions on how undocumented migrants engage in self-employment (Hopkins and Dawson, 2016; Jones et al, 2014) within the UK’s construction sector (Druker, 2016; Druker and White, 2013; MacKenzie et al, 2010; Mustchin, 2014), this article outlines how illegal self-employed Ukrainian migrants engage in forms of ‘false’ self-employment. We find that the institutional and regulatory environment within London’s construction sector accommodates and perhaps encourages the growth of false forms of self-employment. The construction sector with its combination of structural conditions has demonstrated leniency to and implicitly encouraged forms of ‘false’ self-employment (Behling and Harvey, 2015; Buckley et al., 2016). Crucially, not only is this leniency and the common employment practice of illegal migrants seen by outsiders and researchers as a norm within this industry, the push of such migrants towards ‘false’ self-employment can be viewed as a result of the cost cutting mechanism and simplification of contractual agreements.

Seeking to move beyond binary representations of different forms of work practices, this study endeavoured to heed Zatz (2009)’s call for placing categorizations of work under critical academic scrutiny. To this end, this article has examined notions of “illegality” within the context of work practices and crucially the misty, unclear, intertwined nature of some forms of work practices within and between these notions of work. The empirical findings highlight how some forms of work cannot be accommodated within the existing dualistic typologies of legal and illegal work. Instead, they engage in a patchwork of work practices, where workers dip in and out of the spheres of legal and illegal work. Despite such heterogeneity, a somewhat surprising result was the fact that all respondents paid some taxes, thus problematizing the artificial but prevailing view of the illegal migrant worker as necessarily either ‘victim vs villain’ dichotomy (Anderson and Ruhs 2010).

Our article highlights the ‘vulnerabilities’ (Mustchin, 2014) of migrant workers as they navigate the UK’s labour markets. Our findings demonstrate that whilst these Ukrainian workers were clear that the working conditions in the UK were better than the conditions for construction labourers in Ukraine, nonetheless, these workers were exposed to several vulnerabilities such as wage theft, wage with-holding and a lack of adequate protection for

illness and accident, key issues which a recent ILO report has highlighted as prevalent for migrant workers engaged in construction (Buckley et al., 2016). However, despite being faced with the precarious nature of their existence in the UK, our findings show how individuals use different coping strategies in order to develop their business operations.

Of particular relevance for policy-makers, we uncover how in response to the realities of 'de-skilling' within the construction sector, individuals decided to develop their own business operations. Secondly, whilst regulatory frameworks are clearly encouraging engagement in 'false' self-employment, the ultimate aim of these illegal migrant workers is to legalise their status and engage in legal work practices. Such a finding has clear ramifications for policy. The recent Farmer Review (2016) has focused on the reliance of the UK's construction sector on migrant labour. Our findings highlight the need for public policy to develop tools to seek to encourage the transition of illegal migrant workers into legal work practices. That said, whilst there is a clear desire to legalise, nevertheless, several of our respondents realising the lucrative nature of 'subcontracting' within the UK's construction sector, have quickly developed highly successful businesses, based on acting as conduits, bringing additional illegal migrant labour to the UK. There is a clear need for public policy to address the loopholes regarding subcontracting in the construction sector. Moreover, whilst our findings have highlighted the ways that migrant workers have striven to escape their precarious role as a 'disposable underclass', concerns that there exist only limited prospects for integration into host societies (Sumption and Somerville, 2010, p.10), on our evidence, appear valid. Whilst several respondents have developed businesses nevertheless, they are highly dependent on the recruitment of illegal co-migrants.

In terms of future work, it will be worthwhile to re-interview the respondents at a later stage to see if their legal status has evolved and see whether these migrants are closer to being more embedded into the UK society. This would be valuable especially in light of recent changes in immigration policy within the UK and continued political desire for 'managed migration' (Bach, 2010), which could further affect the conditions for self-employment in various sectors of the economy.

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**Table 1: Participants**

<b>Code</b>	<b>Gender</b>	<b>Age</b>	<b>Education</b>	<b>Business</b>	<b>Legal Status</b>	<b>Time in UK</b>	<b>Number of workers employed by respondent</b>
INT1	Male	25-34	NVQ2 carpentry	Construction	Illegal	7 years	8
INT 2	Male	25-34	University Degree	Construction	Illegal	7 years	100+
INT 3	Male	35-44	High School	Construction	Illegal	8 years	30
INT 4	Male	45-54	University Degree	Construction	Illegal	8 years	10
INT 5	Male	25-34	Commercial College	Construction	Illegal	7 years	30
INT 6	Male	25-34	College of Law Degree	Construction	Illegal	13 years	8
INT 7	Female	25-34	University Degrees in Arts/BA Theatre in UK and Economics in Ukraine	Decorator	Illegal	10 years	Up to 20
INT 8	Male	25-34	University Degree in Ukraine	Construction	Illegal	7 years	50
INT 9	Male	25-34	University Degree in Ukraine	Project Management in Construction	Illegal	7 years	15-30
INT 10	Male	25-34	English College in UK	Construction	Illegal	9 years	30
INT 11	Male	18-24	High School	Construction	Illegal	5 years	15
INT 12		18-24	High School	Construction	Illegal	3.5 years	20
INT 13	Male	35-44	Technical College (construction)	Construction	Illegal	4 years	15
INT 14	Male	35-44	Technical College (construction)	Construction	Illegal	9 years	20
INT 15	Male	25-34	High School	Construction	Illegal	6 years	13
INT 16	Male	25-34	Technical College (construction)	Construction	Illegal	8 years	12
INT 17	Male	35-44	High School	Construction	Illegal	8 years	6
INT 18	Male	25-34	High School	Construction	Illegal	3 years	5

INT 19	Male	25-34	High School	Construction	Illegal	3 years	50
INT 20	Male	45-54	High School	Construction	Illegal	7 years	5

For Review Only

**Table 2: Interview details, frequency and summary of responses**

Second order themes	First order themes - Summary of key responses	Illustrative quotes
<b>INSTITUTIONAL ENVIRONMENT PUSHING PEOPLE INTO FALSE SELF-EMPLOYMENT</b>	<ul style="list-style-type: none"> <li>• Too many regulations</li> <li>• Lack of understanding of employment</li> <li>• Use of social networks to gain employment opportunities</li> <li>• Employers directly approach and encourage self-employment law and rights</li> </ul>	<p>‘It is hard to know how to sort the correct documents here’</p> <p>‘The regulations are changing all the time’</p> <p>‘I use one of my old friends in Kyiv who can help find some new workers’</p> <p>‘One guy came up to me and said he’d sort out all the necessary documents. Only recently did I realise that I am self-employed!’</p>
<b>WORKERS’ VULNERABILITIES</b>	<ul style="list-style-type: none"> <li>• Wage theft</li> <li>• Wage with-holding</li> <li>• Lower wages than National Minimum Wage</li> <li>• Accident/illness</li> <li>• De-skilling</li> </ul>	<p>‘When I was first here, the boss stole some of my wages’</p> <p>‘The owner can sometimes not pay full wages and promises that the remaining will be soon. This can be for months’</p> <p>‘With no work permit, people agree to work for less money’</p> <p>‘I have no protection. It’s all up to me. If I’m ill, I lose my pay’</p> <p>‘I am a qualified engineer. The work here is just unskilled work’</p>



<b>WORKERS’ COPING STRATEGIES</b>	<ul style="list-style-type: none"><li>• In response to deskilling, individuals decide to set up a business</li><li>• See opportunities to make money – bring co-migrants from back home to the UK</li><li>• Become the ‘conduit’ to bring new workers in</li><li>• Engage in subcontracting</li></ul>	<p>‘I worked as a project manager until I came here. The work was unskilled. I decided to set up my business. It’s great, I now manage over twenty workers’</p> <p>‘London is a busy town. There is more work than people. I started bringing workers from Ukraine last year and it is very profitable’</p> <p>‘Other employers contact me to get more workers’</p> <p>‘Subcontracting is the name of the game. The British big guys do it and it works down the chain’</p>
<b>DESIRE FOR ‘NORMAL’ LIFE IN THE UK AND COME OUT OF THE SHADOWS</b>	<ul style="list-style-type: none"><li>• Payment of UK taxes</li><li>• Future aspirations</li></ul>	<p>‘I don’t mind paying taxes here in the UK. The government spends the taxes properly’</p> <p>‘I just want a normal life for my family and myself’</p> <p>‘I want people to see me as a real person, not just an invisible migrant’</p>
<b>PATCHWORK ACTIVITIES</b>	<ul style="list-style-type: none"><li>• Dip in and out of legal and illegal work practices</li></ul>	<p>‘I live a strange life. I’ve never paid so much tax in my life than here in the UK. However, my business depends on employing illegal workers.’</p>